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the room at 2.55, followed by M. Clemenceau. Mr.—whispered to me that the group as a whole excelled in appearance any parliamentarian group he had ever seen. To me many of the men seemed very young, but there was about it all the question—Is this the “Parliament of Man”? Does this mean “the federation of the world”? In any event I had the feeling that the eyes of the world were upon us there, and in those eyes I saw the light of the ancient longing for the end of war.

The speech of the President of the French Republic was delivered in a soft but characteristically crescendo-dimenuendo French, trembling here and there with emotion. It began without the formalities peculiar to American speeches. Mr. Wilson stood at his right and eyed him intently throughout the twenty-five minutes. Mr. Balfour stood at his left and allowed his eyes to wander up and around a great deal, though Mr. B. understood the French perfectly, while Mr. Wilson understood it not at all. The entire Conference stood throughout the address and received it in silence.

After the translator had furnished his tiresome but necessary task Mr. Clemenceau took the chair provisionally, when Mr. Wilson, in a short and typical Wilsonian speech, moved that M. Clemenceau be permanent chairman of the Conference. After this speech was translated into French, Mr. Lloyd-George seconded the nomination. This was translated, and then an Italian delegate made a brief “second”, after which Mr. Clemenceau “took the chair” permanently and laid before the Conference the outlines of the first steps in the agenda. The simple meeting adjourned.

The work has begun. I have seen Kings received in Paris; I have heard great men utter great thoughts; I have stood by the tomb of Napoleon; I have worshipped in the Madeleine and Notre Dame; I have not been thrilled until today. The silent gathering that I saw there in that ancient palace, men from all nations aligned against Germany, the living idealisms personified there, the future bending as if to listen, the fate of the generations yet unborn hanging there as if by a thread. I was thrilled there at that place. It seemed so stupendous, relentless, uncertain but fateful.

THE HOPES AND REALITIES OF PEACE

By ORDWAY TEAD

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I WROTE last spring a short book, “The People’s Part in Peace,” outlining what seemed to be some of the economic influences which are helping to bring into existence an effective League of Nations. Those economic forces are as active now as they were a year ago, and if they do not promise to eventuate at once into the type of international economic organization that we could hope for, we have the satisfaction of knowing that a beginning will be made. If the program as finally adopted does not fulfill our every desire, it will have the value of rallying an overwhelming majority support in the constituent nations. That support is essential. It is clear that nothing could be more unfortunate than the embarking upon a program of international

co-operation which is not understood and sympathetically espoused by the great body of the world’s citizens. We can have successful internationalism only as we take affirmative recognition of the economic situation and utilize it in the social interest.

Let me, in order better to assess the progress that is being made toward a peace of international justice and intelligent co-operation, indicate briefly the argument of my book as to the ways in which economic forces are helping to shape international destinies. Problems that relate to the supplying of peoples with the necessities of life, I have said, are problems for the satisfactory solution of which peoples will go to war. More than that, the arrangements of our system of production are such that those who have a financial stake in investment and trade are exceedingly alive to every opportunity to assure and to increase that stake. It results that (1) the securing of raw materials for the manufacturing nations; (2) the shipping of those materials and of finished goods; (3) the extension of foreign markets for the sale of goods; (4) the extension of spheres of influence wherein investors are accorded special privileges; and (5) the wide divergence of labor standards from one country to another; all combine to raise problems of national self-interest and capitalist self-interest which are critical in the extreme and provocative of discord. I have tried to show how, especially during the war, self-interest forced the Allied nations to create joint bodies on the first four of these problems in order to assure self-preservation and national protection. And I am confident that the same motives of economy, desire for intelligent distribution of goods and credits in relation to needs, will lead on to the development of similar agencies in the international government.

Yet I admit at once that the immediate outlook is not encouraging. It is discouraging, because the forces that have a personal self-interest in international *laissez-faire*—the capitalist forces—do not yet see the value, even from their own point of view, of a public control in these five fields. And the consuming public of the nations is not clear enough or united enough to enforce upon the Peace Conference the demand for a democratic control of economic agencies and forces in the interest of all the people rather than in the interest of the financiers. That this opinion is not charged with pessimism, I can best indicate by showing what developments there are in regard to the control of raw materials, shipping, and the rest which show the probable drift of immediate events.

(1) *Raw Materials.* The disposition of liberals the world over is to allocate the essential raw materials—coal, iron, cotton, wood, copper, rubber, etc.—on a basis of the known needs of each country and the known manufacturing capacity of each country. The reasons for favoring such a co-operative arrangement are many; but chief among them is the desire to distribute goods where they are humanly needed, with the minimum of cross-carriage, profiteering speculation, and competitive waste.

Since the armistice, governmental controls over export and import have been largely removed in the Allied countries, except as the shortage of shipping space

makes restriction still inevitable. Exceptions must also be made to Great Britain and Italy, both of whom in order more quickly to recover vigorous productive activity at home are restricting importation of a number of important commodities for a limited period. This control, urgently needed as it may be felt to be by those countries, is certainly not a hopeful illustration of the method of international deliberation about problems of industrial stabilization. It is on the contrary a virtual denial of such deliberation. There is, however, in the food situation a distribution determined largely by need—a distribution which the shortage of the world's wheat and fat supplies renders imperative if wholesale starvation is to be avoided. How long this control will continue is not known. But judging from the present temper of our governments it will be abrogated at the earliest possible moment.

With the abandonment of inter-Allied control will come again the competitive bidding for raw material among the buyers of different nations. In a given market the buyers of one or two nations will agree to hold off in a period of high prices and force a fall in prices of which they will take care that they are the ones principally benefited. The unorganized buyers, the buyer for individual firms, will find himself always in the market where the top price must be paid. American buyers were before the war frequently in this unenviable position. But they do not appear to want the type of control which results in a uniform price to all; and in consequence American consumers pay for the higher cost. The unfortunate logic of this situation and the undue expense of it to American manufacturers will eventually bring us all to see that in sheer self-interest the allocation of raw material is a good business proposition.

(2) *Shipping.* England and the United States have officially repudiated the policy of national operation of the merchant marine after the war. Both governments are retaining only as much tonnage as is needed to complete demobilization and the necessary movement of food. Control of shipping rates we still have. But whether it will continue or what form it will take we do not know. We only see that the apparently controlling principle in the recent lowering of rates, was simply a desire to maintain an effective competitive basis between England and the United States—not a desire to take council together as to fair rates.

The declaration of the United States Shipping Board that the valuation of our merchant ships would be reduced to bring down the necessary freight charges indicates that at least the international competition for shipping which will eventually develop will not be at the expense of the wages and working conditions of American seamen. And it is still possible that before very long labor in the European nations will be able to secure the passage of protective legislation to bring the wages and conditions of seamen up to those in the United States.

Nevertheless, the deliberate renunciation of governmental operation of merchantmen by the two great sea-powers is not a hopeful sign. If out of it all the peoples are able to keep some control over shipping rates, they will be fortunate.

(3) *Foreign Trade.* The exercise of reasonable restraints and the setting up of humane standards in foreign trade are matters which still hang in the balance. Shall we, or shall we not, have preferential tariffs? To what extent are the activities of export corporations to be nationally supervised? Are the markets of the world to be developed in a spirit of bellicose jealousy and cut-throat competition between different nationalities? Or are we to begin to make an attempt to study the adaptability of different areas for the most economical production of the needed goods—abandoning the "key industry" theory?

The answer to all these questions is upon the knees of the League of Nations. Obviously until the peoples of the world know the wisdom not only of removing economic barriers but of scientifically controlling in the popular interest the resources of the world, little progress will be made toward the type of International Commerce Commission which intelligence seems to call for.

(4) *Foreign Investment.* There are elements of hope in the investment situation. The free and unlicensed flotation of loans by private capitalists to weak Eastern Governments seems to be a thing of the past. The public interest in such sales of credit is being recognized and a measure of public oversight being demanded—at least in the United States.

But our fiscal problem becomes completely altered in character now that we are a creditor nation, owed approximately ten billion dollars by European governments and capitalists. The annual interest on these loans totals several hundred millions, in payment of which it would be impossible to import sufficient gold; and the importation of goods to the value of that amount would have a critical effect on our own production system. How this vital matter is to be adjusted without some attempt on the part of the nations to study and control this exchange of goods to prevent temporary overproduction of certain goods, it is impossible to see. We have in this dilemma a major argument from necessity for the retention of international democratic control of trade.

The mutual indebtedness of the great powers and the greatly increased volume of trade are giving new point, also, to efforts to stabilize international exchange. There seems to be real likelihood that some sort of International Reserve Bank or Fund will be created to prevent fluctuations in the value of the dollar, and to render unnecessary the excessive movement of gold involved under a strict adherence to a national gold standard, because of the adoption of an international credit standard based on an international gold fund.

(5) *International Labor Standards.* Whether the unanimous liberal demand for a number of uniform international labor standards is for the present to be more than a fervent wish, we do not know. What those standards should be we do know; and they may well be quoted as they have been ably set forth by the New York State Federation of Labor at its reconstruction conference on January 16, 1919. The Federation demands:

Declaration that the labor of a human being is not a commodity or an article of commerce; adoption of the standards of the American Seamen's

act as an international minimum; exclusion from international commerce of goods produced by children under the age of sixteen or by women employed at night; establishment of the eight-hour shift in all continuous processes; uniform international collection of labor statistics and enforcement of labor legislation; recognition of the right of labor to organize; guarantee to alien workers of all the rights of nationals, and agreement that each nation, for adult citizens as well as for minors, will increase opportunities for free education.

If labor's unanimity can do it, those demands will be incorporated into the body of agreements covenanted to by the signatories of the League. For, with the exception of the president and secretary of the American Federation of Labor, labor, conservative and radical, in Allied and Central European countries, has expressed the demands above quoted. And it can be predicted that as the International Labor Conference makes headway in the next few months, its voice will be heard with telling effect in active support of the most important of the labor standards requiring international adoption.

The record of economic integration as we see it to date, therefore, is still an uncertain and not altogether promising one. I believe that the more fully and forcibly this is said and understood, the more wholesome it will be. For such a recognition should not leave us dispirited. Rather should it enable us to see how far the world has come in four years. It *has* come to a *political* League of Nations. We shall have that; and it will be an association which will be a stirring achievement in international faith and constructiveness.

If we cannot see emerging out of the immediate conference any comprehensive agency of economic control, we should remember: (1) that no single nation has yet made more than elementary beginnings in controlling democratically its own economic life; (2) that the pressure of world-trade competition will early demonstrate the utility of carrying on a number of highly important functions under international democratic control, viz., the granting of credits, the movements of population, the standardizing of labor conditions, and perhaps the regulation of shipping rates; and (3) that the slowly awakening demand of the humble people of the world for an economic organization in which they have a voice and which is dominated by human purposes will prove more and more potent.

In short, the war is teaching us that some problems cannot be solved at all until they are solved *for all at once* on a world basis. I believe that idea is destined to grip people with more and more telling effect in the next few decades. We want peace; we want economical usage of raw stuffs and sensible distribution of goods; we want freedom of individuals from exploitation and sweating. We can have all these and more. But the price is fixed. The price is *ability and willingness to organize the world's economic affairs on an international, democratic basis with the controlling motive of running the world's industrial life to give abundance, freedom and happiness to the plain peoples of the world.*

This do, and all these things shall be added unto you!

KRAUSE'S 1818 LEAGUE OF PEACE

By CLAY MACAULEY, TOKIO

[The writer of this article is a veteran American journalist, publicist and religious teacher long resident in the American colony in Japan who, during his stay in the empire, has done much to promote a better understanding between the Orient and the Occident and especially between Japan and the United States. He is president of the American Peace Society of Japan. The facts set forth by him in this article, which appeared originally in the *Japan Advertiser* of October 17, and which he has kindly sent to the ADVOCATE OF PEACE, are not generally known. They have no little significance especially for persons interested in the relation of formal philosophical teaching in Germany to the shaping of national and imperial policy.—EDITORS.]

One hundred years ago there lived in Dresden, Germany, a thinker and university lecturer named Karl Christian Friedrich Krause; a man since then esteemed by many persons in many lands as one of the best, wisest, most prescient and, in true manliness, one of the greatest of human kind. But, in the year 1818, he was suffering from severe political and social persecution and a growing mortal illness;—a prophet almost wholly without honor in his own country, and yet, a prophet of whom—so history has given verdict—his own country has made itself most dishonorably unworthy. In Berlin in 1814, upon Fichte's death, Krause was put forward as a fit candidate for the professorship in the university, thus vacated; but the compliant and complacent Hegel was favored by the Prussian authorities in his stead. In the next year, under charges that were wholly baseless, except as excuses to silence the thinker, Krause returned to Dresden where, for the next eight years, he was resident. In 1823 he went to Gottingen, and there recommended his university work. But there, too, the Prussian hostility appeared against him and prevented his taking the chair vacated by Bonterwek's death. Wendt was favored, but, afterwards openly disgraced by wholesale plagiarisms from Krause's writings. The hostility to Krause at Gottingen, where he remained for some years, as a "privat docent" went even so far as to accuse him of participancy in a political uprising, in which he had no part whatever. Indeed, his teachings are emphatic in their opposition to forcible political or social revolution; and in no way has time shown any kind of a foundation for the accusations then made. But the Prussian government and some other antagonism which, since that time, has been amply repented for, as wrong done to the philosopher, persisted in its persecution. It compelled Krause to seek a home elsewhere. He had been charged, in utter maliciousness and without even a semblance of good reason, with being even an agent of the Paris "Comite directeur."

He found a home, then, in Munich, Bavaria; but there, too, he was followed by his enemies, who soon procured a governmental order for his banishment from the city. Even the philosopher Schelling was, for the time, made one of his enemies. But the unjust order was happily annulled; and Krause at once came into favor with the university authorities, by whom a chair for his teachings was opened. This long delayed justification and honor, however, came too late to this brave pioneer for the larger thought and the higher life. A month later, September 27, 1832, he died.